



State Council of
Higher Education for Virginia

Virginia's System of Higher Education

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The Governor's Commission on Higher Education
Reform, Innovation, and Investment
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Virginia's System of Higher Education

- Governance Structure
- SCHEV's Statutory Responsibilities
- Restructuring Act of 2005
- Executive Order Number 9
- State Funding Trends
- College Access Programs
- Conclusion



Governance

IMPORTANCE OF GOVERNANCE

- Higher education governance is critical to how state policy is implemented (e.g., state funding; mission review; workforce dev.).
- Accountability is a function of governance.
- State oversight and institutional autonomy are often defined through the governance structure.



Governance

NATIONAL OVERVIEW

Governing v. Coordinating Boards

- Statewide strategic planning
- Responsiveness to state priorities



Governance

OVERVIEW: GOVERNING BOARDS

- Strong statutory authority and power
 - For example:
 - determine curricula, research agenda, legislative agenda
 - control systemwide management
- Centralized structure with limited institutional autonomy



Governance

OVERVIEW: COORDINATING BOARDS

- Limited statutory authority and power
 - For Example:
 - Boards of Visitors set admission policies
 - Boards of Visitors set tuition and fee rates
- Decentralized structure with extensive institutional autonomy/broader parameters



Governance

NATIONAL TRENDS

2010: 49 states have higher ed boards

- 23 states have coordinating boards
- 24 states have governing boards
- 2 states have only service boards (state-level logistics for financial aid)
- 1 state has no state-level entity



Governance

NATIONAL FINDINGS

	<u>States</u>	<u>Public 4-yr. Insts.</u>
COORDINATING	23	388
States with coordinating boards, such as Virginia, have a higher concentration of public 4-year institutions		
GOVERNING	24	195
States with governing boards, such as Idaho and Nevada have fewer 4-year institutions. Governing board states such as North Carolina have a president to whom the chancellors of all 16 4-year Institutions report.		



Virginia's System of Higher Education

Virginia public higher ed in 2010:

- 15 four-year institutions
- 1 junior college
- 23 community colleges
- About 350,000 undergraduates
- About 52,000 graduate students
- 89% of undergrads are in-state

Extensive information on enrollments (e.g. demographics, completions, etc.) are available on SCHEV's website.



Virginia's System of Higher Education



America's Best Colleges

UVA	#2	Public University
W&M	#6	Public University
JMU	#1	Public Master's Level in South
UMW	#5	Public Master's Level in South
UR	#30	Liberal Arts Colleges
CNU		"Up and Coming"



SCHEV Statutory Responsibilities

Code of Virginia, § 23-9.6:1. Duties of Council, generally.

1. Develop a statewide strategic plan for higher education every six years that reflects the goals of the Restructuring Act
2. Approve changes in the mission statements of existing public institutions and define the missions of new public institutions
3. Review public institutions' proposals to raise degree-authority levels
4. Review and approve/disapprove public institutions' enrollment projections
5. Review and approve/disapprove public institutions' proposals for new academic degree programs
6. Review and require the discontinuance of public institutions' degree programs that are found to be: (i) nonproductive; or (ii) unnecessarily duplicative
7. Review and approve/disapprove public institutions' organizational changes at or above the departmental level
8. Review any planned closures of public institutions' degree programs in subjects/areas of high demand or critical shortage
9. Develop a uniform, comprehensive data information system
10. Develop guidelines for public institutions' assessment of student learning



SCHEV Statutory Responsibilities

Code of Virginia, § 23-9.6:1. Duties of Council, generally.

11. **Develop uniform financial standards and systems of accounting, record keeping and statistical reporting for public institutions**
12. **Review and approve/disapprove any proposed changes in the inventory of public institutions' educational and general (E&G) space and make capital outlay funding recommendations**
13. **Visit and study the operations of each public institution and conduct other studies the Council deems appropriate or are requested by the Governor or General Assembly**
14. **Provide advisory services to private, accredited, non-profit institutions**
15. **Adopt such rules and regulations as the Council deems necessary. "The public institutions of higher education shall comply with such rules and regulations."**
16. **Issue student-information-release guidelines for public institutions consistent with FERPA**
17. **Require the preservation of student transcripts**
18. **Require the development and adoption of articulation, transfer and dual enrollment and admissions agreements between two- and four-year public institutions**
19. **Provide periodic updates of base-adequacy funding guidelines**



SCHEV Statutory Responsibilities

Code of Virginia, § 23-9.6:1. Duties of Council, generally.

“In carrying out its duties and responsibilities, the Council, insofar as practicable, shall preserve the individuality, traditions and sense of responsibility of the respective institutions. The Council, insofar as practicable, shall seek the assistance and advice of the respective institutions in fulfilling all of its duties and responsibilities.”



SCHEV Statutory Responsibilities

ADDITIONAL STATUTORY OBLIGATIONS

- Certify public institutions' compliance with and/or satisfaction of the requirements of the Restructuring Act (§ 23-9.6:1.01)
- Certify private and/or out-of-state institutions and schools that seek to operate – initially, and annually thereafter – in Va (§ 23-21.1)
- Provide educational programs for public institution's governing boards (§ 23-9.14:1)
- Administer the Outstanding Faculty Award program (Acts of Assembly, Item 138.C)



SCHEV Statutory Responsibilities

Examples of Legislative Mandates to SCHEV

- 2010: Financial Aid Study;
Guidelines for Auxiliary Facilities at Two-Year Institutions
- 2009: Teacher Shortage Study;
Optometry Study
- 2008: Review of Eastern Virginia Medical School;
Faculty Recruitment and Retention Report
- 2007: Feasibility Study for a VCU Dental Clinic in Wise
- 2006: Educational Demand in Southside;
Textbook Costs Report



Virginia's System of Higher Education

SCHEV: Reporting Entity

Public Institutions' Reports to SCHEV

- Total: 34
- All but six (82%) are required by state or federal law or the Va. Dept. of Ed.
- Only one is required more than once per year (VDoE); 26 are annual; seven are biennial.

In order for SCHEV to perform its legislative mandates, submission of data and reports are required. However, SCHEV strives to minimize the administrative burden imposed on the institutions.



Virginia's System of Higher Education

Higher Education Restructuring



Restructuring Overview

Restructured Higher Education Financial and Administrative Operations Act

An effort initiated by three Virginia public institutions to become “charter” institutions resulted, ultimately, in groundbreaking legislation in 2005 that restructured the relationship between the public colleges and the Commonwealth.

Upon the satisfaction of various conditions, all the public institutions are granted certain autonomy which includes but is not limited to, capital building projects, procurement and personnel, while providing oversight mechanisms and establishing performance targets related to 12 educational goals and objectives.



Restructuring Overview

- Operational autonomy for all institutions
- Tuition and fees responsibility of boards of visitors
- Commitment to meet certain state goals
- Performance measures coupled with financial incentives
- Opportunity for greater institutional autonomy, including management agreements for the Tier III Institutions (UVA, Tech, W&M, VCU)



Restructuring Overview

Working with SCHEV, each institution develops its own plan to address the following categories:

- Access
- Affordability
- Academic Offerings
- Academic Standards
- Student Progress and Success
- Articulation and Dual Enrollment
- Economic Development
- Research
- Enhancing K12
- Six-Year Plans
- Finance and Administrative
- Campus Safety and Security



Restructuring Measures Compared to EO9 Charges

Increased Degree Attainment, Financial Aid, Workforce Training

- ☒ 100,000 cumulative additional associate and bachelor's degrees over the next 15 years;
- ☒ Increased degree attainment in high-demand fields;
- ☒ Support increased enrollment of Virginia students;
- ☒ Suitable financial aid for low- and middle-income families;
- ☒ Policies, resources, and incentives to promote study in areas where shortages of skilled workers exist or are anticipated;
- ☒ Provision of enhanced higher education opportunities to military personnel and veterans;
- ☒ Coordination with the Job Creation Officer, Office of Commerce and Trade, and Governor's Economic Development, and Job Creation Commission on workforce development initiatives and recommendations.



Restructuring Measures Compared to EO9 Charges

Implement Innovation and Cost Containment

- ☒ Model for higher education funding and service delivery that embodies a long-term commitment to high-quality instruction and affordable access, and that incorporates the degree attainment goals set out in (1) above;
- ☒ Rigorous cost-benefit analysis to identify and phase out low-demand programs and reduce/prevent wasteful central office administrative spending and eliminate redundancy within and across higher educational institutions;
- ☒ Optimal development and utilization of private and federal resources;
- ☒ Increased collaboration among high schools, community colleges, four-year institutions, and private providers to reduce the time and cost of obtaining a college degree;
- ☒ Use of new technology for delivering instruction, including course redesign for online learning, use of electronic instructional materials in lieu of textbooks, etc.



Restructuring Measures Compared to EO9 Charges

Regional Strategies/Partnerships for Research and Economic Development

- ☒ Plan to dramatically increase the leveraging of private and federal research funding by Virginia's colleges and universities;
- ☐ Coordination with development of a Virginia Energy Institute and other energy-related research initiatives;
- ☒ Coordination with the Office of Commerce and Trade to develop region-specific strategies and partnerships through which public colleges participate actively in economic development, workforce training, development of research parks, and related activities;
- ☒ Identification of funding streams through which financial incentives for regional collaboration and public-private partnerships may be introduced.



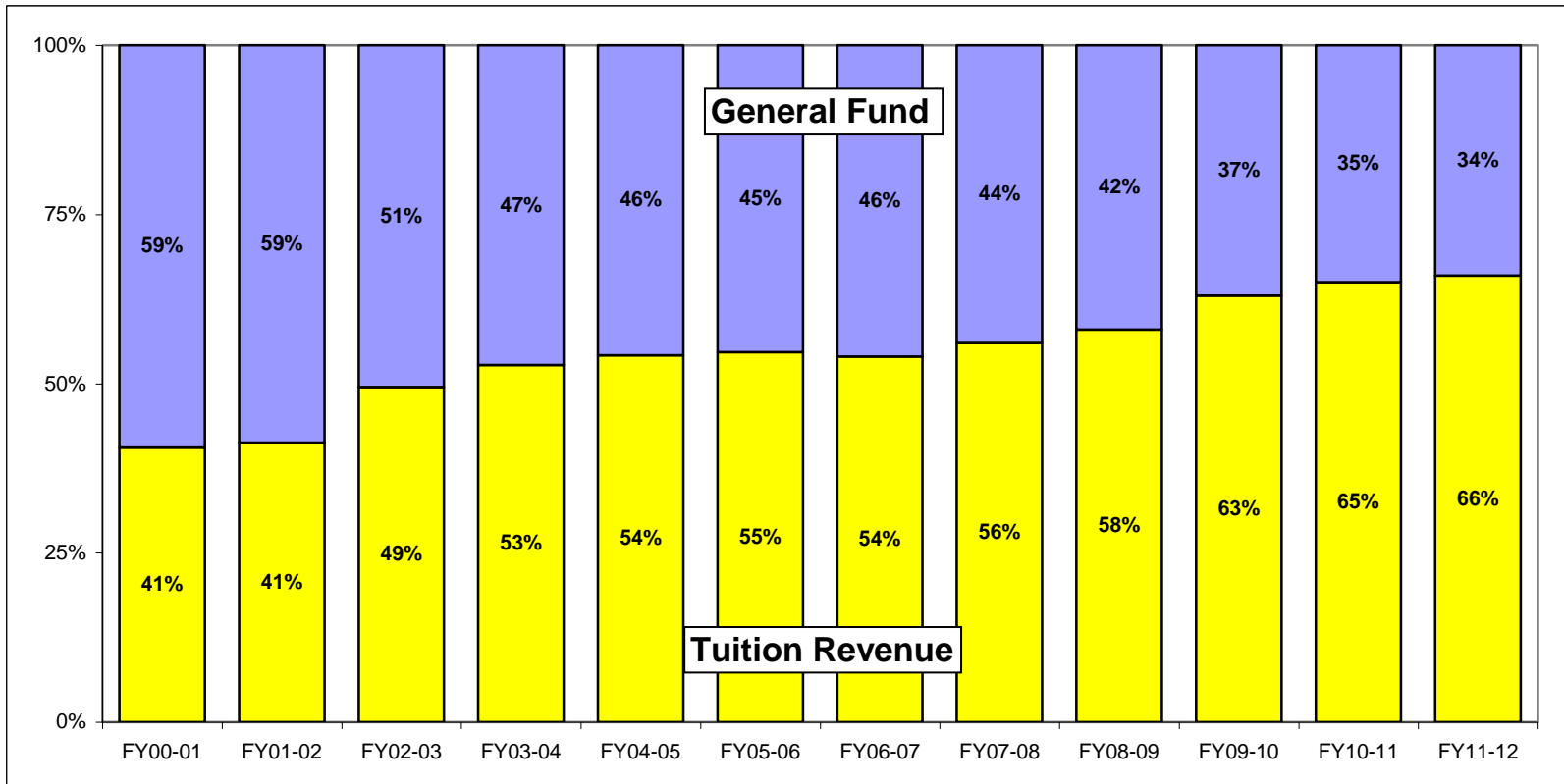
Context for Recent Decisions on Tuition and Fees

General Fund Support for Higher Education

- The growing importance of higher education as a requirement for sustainable employment imposes an ever-greater responsibility on the Commonwealth to ensure that Virginia's public higher education system is equipped to keep pace with a growing and more diverse population in a rapidly changing economy.
- Dramatic fluctuations in state funding present a tremendous challenge to the well-being of our public institutions of higher education and the Commonwealth's students and families.
- As costs have increased, so has the financial burden placed on our residents, which is leading to an affordability challenge.



Systemwide Fund Split of Educational and General Program Appropriations

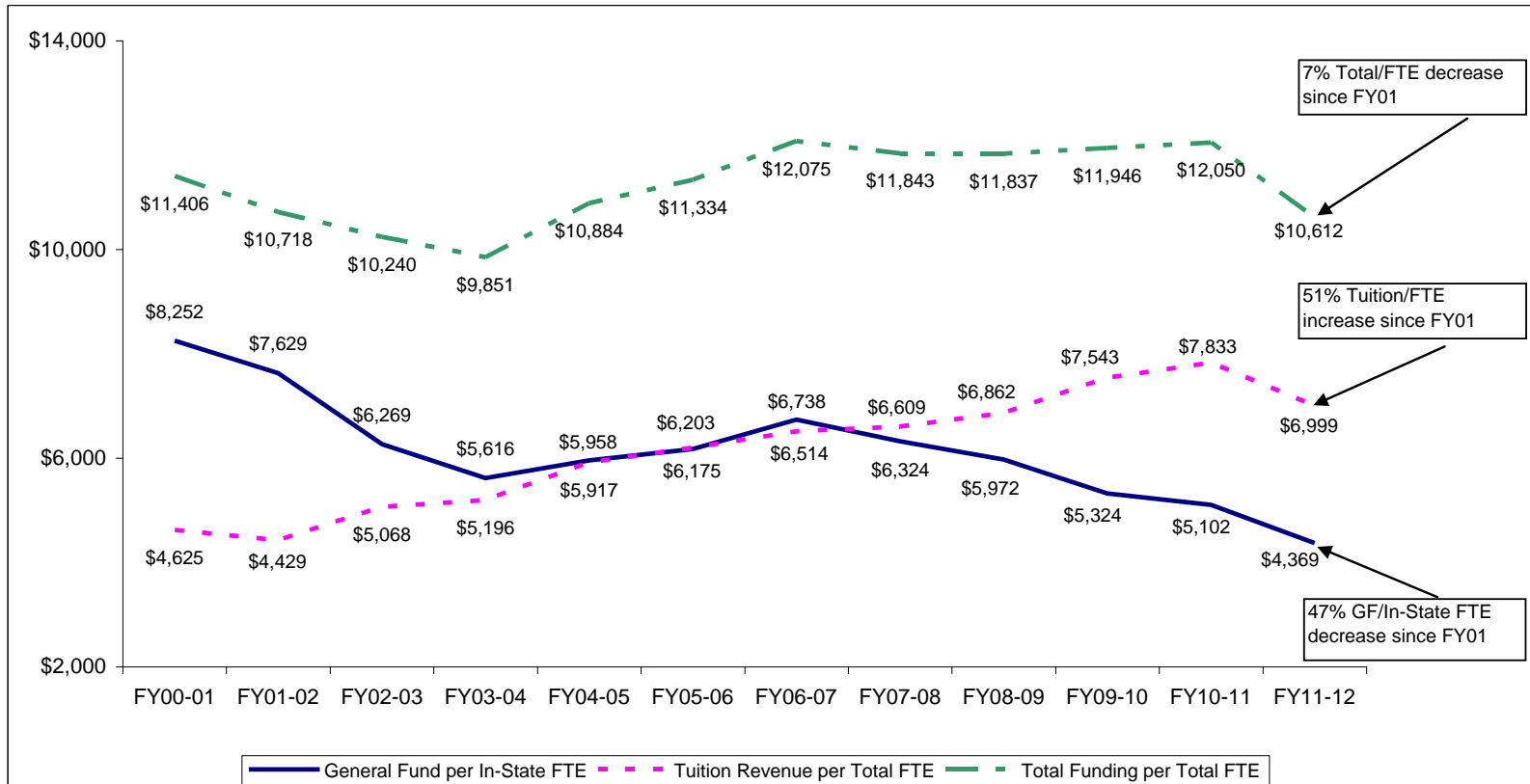


Note: FY10 and FY11 tuition revenue/nongeneral fund appropriations include funding from the federal American Recovery and Reinvestment Act of 2009.



Average Funding per FTE Student at System Level

In 2009-10 Constant Dollars



Notes:

- (1) Total Funding per Total FTE is not the sum of General Fund per In-State FTE and Tuition Revenue per Total FTE.
- (2) FY10-FY12 are based on projected enrollments. All other years are based on actual enrollments.
- (3) FY10 and FY11 Tuition Revenue/Nongeneral Fund per Total FTE include funding from the American Recovery and Reinvestment Act of 2009.



SCHEV Access Programs

Federally Funded Programs to Enhance College-Going Rates for Economically Disadvantaged Students

Challenge Grant (CACG) \$1.8 million

- Greater outreach to first-generation students
- Increased financial aid information
- Greater communication among access providers
- Better student tracking

GEAR UP \$3.0 million

- 36 participating schools throughout Virginia
- 4,100 rising high school juniors
- Tutoring, mentoring, financial aid information
- Family outreach
- \$11 Million in available scholarships



Conclusion

Council members believe higher education is too complex and too important not to have organized state-level governance structure.

SCHEV can be a major resource to your commission and policymakers with an unmatched database, staff expertise, and the experience of Council members.

Council welcomes the opportunity to work with your commission to determine:

- What SCHEV does well;
- What SCHEV may be doing poorly;
- What more SCHEV should be doing; and
- What SCHEV should not be doing.

SCHEV offers the Commonwealth a means to ensure stability and continuity in the coordination of higher education.



Council Membership

Gilbert T. Bland – Virginia Beach

Former member of the ODU Board of Visitors of

Whittington W. Clement – Richmond

Former Virginia Secretary of Transportation, Former Member Virginia General Assembly

James W. Dyke, Jr. – Reston

Former Virginia Secretary of Education

Mimi M. Elrod – Lexington

Former Director of the Summer Scholars Program at Washington and Lee University

Mary C. Haddad – Suffolk

Former Vice Rector of ODU Board of Visitors

Jacob A. Lutz, III – Richmond

Former Rector of the VT Board of Visitors

Susan A. Magill – Alexandria

Former Rector of the W&M Board of Visitors

Christine T. Milliken – Arlington

Former V.P. National Association of Independent Colleges and Universities

G. Gilmer Minor, III – Richmond

EO9 Commission Member, Former President of the VMI Board of Visitors

Katharine M. Webb – Richmond

Senior V.P. of the Virginia Hospital & Healthcare Association